



Department of Planning, Building and Code Enforcement
801 North First Street, Room 400
San José, California 95110-1795

Hearing Date/Agenda Number:
P.C. 11/29/04 Item: 7.a

File Number:
GP04-03-03

Council District and SNI Area:
3 – N/A

Major Thoroughfares Map Number:
66

Assessor's Parcel Number(s):
230-14-031 & -032

Project Manager: Mike Mena

GENERAL PLAN REPORT

2004 Fall Hearing

PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram designation from Light Industrial to High Density Residential (25-50 DU/AC) on a 10.2-acre site.

LOCATION:

At the intersection of Campbell Avenue and Newhall Street on the northeasterly side of Campbell Avenue and the northwesterly side of Newhall Street (1120 Campbell Avenue)

ACREAGE: 10.2

APPLICANT/OWNER:

Pulte Home Corp., Applicant / The Gahrahmat Family Limited Partnership, Owner

GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Light Industrial

Proposed Designation: High Density Residential (25-50 DU/AC)

EXISTING ZONING DISTRICT(S): HI Heavy Industrial

SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Warehouse/Distribution – Light Industrial

South: Mix of Industrial and Single Family Residential – Light Industrial

East: Southern Pacific Railroad – Heavy Industrial

West: Mix of Industrial and Single Family Residential – Light Industrial

ENVIRONMENTAL REVIEW STATUS:

Mitigated Negative Declaration, circulated on November 10, 2004.

PLANNING STAFF RECOMMENDATION:

High Density Residential (25-50 DU/AC)

Approved by:

Date:

PLANNING COMMISSION RECOMMENDATION:

CITY COUNCIL ACTION:

CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:

See attached memoranda:

- Fire Department – a future project will need to comply with Building and Fire Department requirements at the permit stage.
- Department of Public Works – sanitary sewer and storm system will need to be upgraded as a result of a future project on the site.
- Department of Transportation – a TRANPLAN analysis was prepared for the project and no significant impacts to the City's long-term transportation network result from a future high-density project on this site.
- Pacific Gas & Electric – no objections to the proposed project.
- Santa Clara County Airport Land Use Commission – the project site lies outside the ALUC referral boundary, no comments.

GENERAL CORRESPONDENCE:

None received.

ANALYSIS AND RECOMMENDATIONS:

RECOMMENDATION

Due to the project site's proximity to the future Bay Area Rapid Transit station (BART), the existing Caltrain station and the proximity to the already established residential neighborhood, Planning staff recommends approval of the proposed General Plan amendment to change the Land Use Transportation Diagram from Light Industrial to High Density Residential (25-50 DU/AC).

PROJECT DESCRIPTION

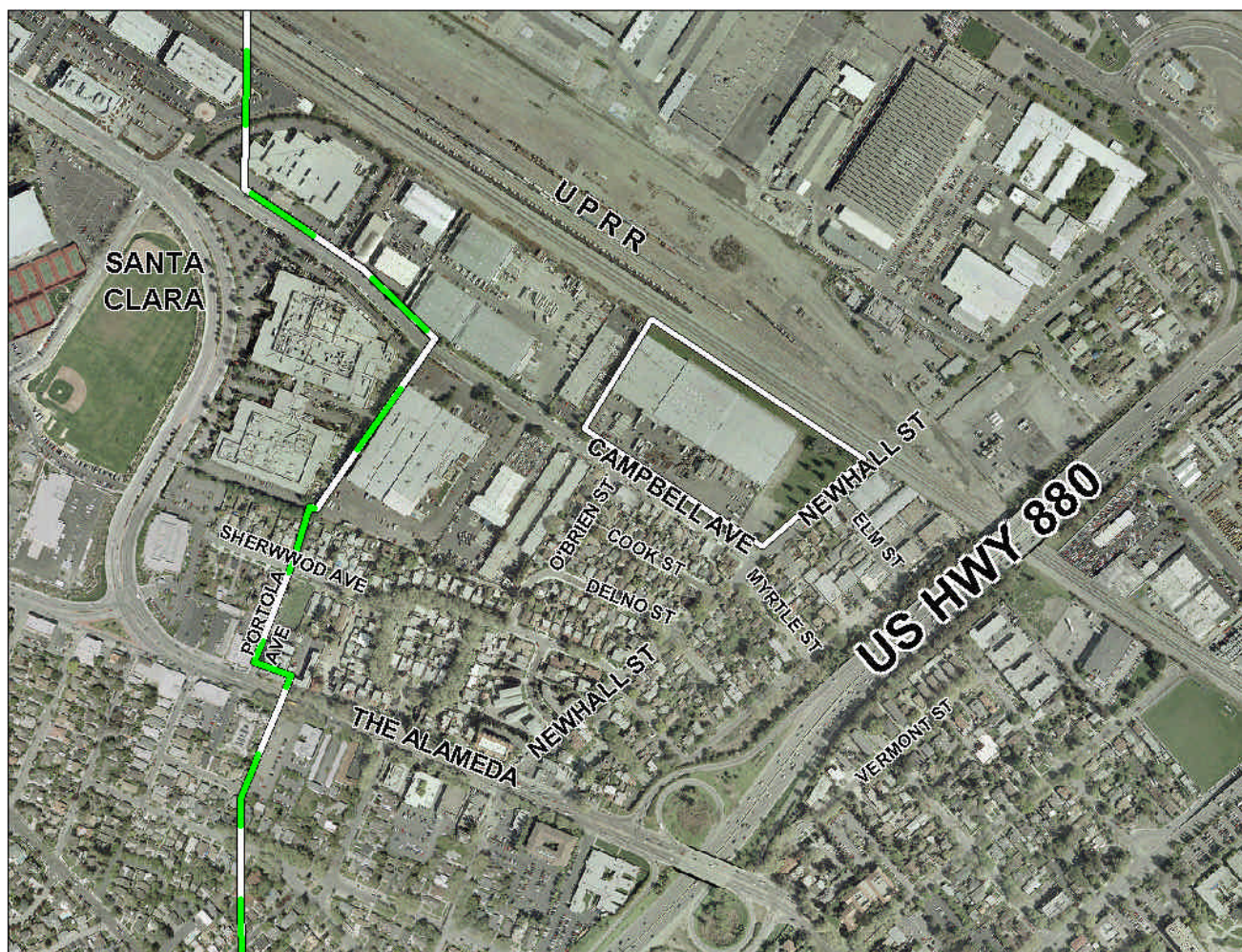
This is a privately initiated General Plan amendment to change the *San Jose 2020 General Plan* Land Use/Transportation Diagram designation from Light Industrial to High Density Residential (25-50 DU/AC) on a 10.2-acre site located at the intersection of Campbell Avenue and Newhall Street on the northeasterly side of Campbell Avenue and the northwesterly side of Newhall Street (1120 Campbell Avenue). The proposed General Plan amendment has been filed concurrently with a Planned Development rezoning application (File No. PDC 04-069). The pending Planned Development rezoning would allow up to 220 single-family attached and multi-family attached residences, resulting in a net density of approximately 25.6 dwelling units per acre. The pending Planned Development rezoning is tentatively scheduled to be heard at a separate Public Hearing by the Planning Commission and City Council in early 2005.

BACKGROUND

The amendment site consists of two parcels, one of which is currently occupied by a tilt-up industrial warehouse building, a surface parking lot, and landscaping. The subject site is located within a small pocket of industrial uses westerly of the City of San Jose Norman Y. Mineta International Airport.

There is another pending privately initiated General Plan amendment (GP04-03-02) and proposed Planned Development rezoning (PDC04-068) on a site located 150 feet northerly of the project site, and separated by a single industrial lot. The other concurrently pending General Plan amendment would change the Land Use Transportation Diagram from Light Industrial to Medium High Density Residential (12-25 DU/AC) and the associated Planned Development Zoning proposal would allow up to 104 single family detached dwelling units. Planning staff is recommending that this other property be designated High Density Residential (25-50 DU/AC), because of its proximity to existing and proposed transit facilities.

The existing General Plan designation of Light Industrial encompasses uses such as warehousing, wholesaling, light manufacturing, and assembly and other industrial uses of which all hazardous or nuisance effects can be mitigated. The proposed designation of High Density Residential (25-50 DU/AC) would allow single-family attached, multi-family development up to three stories in height, and may allow appropriate commercial uses in a vertically mixed-use development.



Site and Surrounding Uses

As stated above, the project site is currently developed with an existing industrial tilt-up warehouse building and is located within a small, relatively isolated pocket of industrial uses. The site is also located in the vicinity of the future BART station and existing CalTrain station. Specifically, measuring via public right-of-way, the site is approximately 4,200 feet from the future BART station and approximately 3,300 feet from the existing CalTrain station. To put this into more context, this is less than six City blocks, a distance equivalent to walking from City Hall to Julian Street (a 20 minute walk).

Similar warehouse and other industrial uses that are supportive of the nearby Airport and railroad operations are located northerly and westerly of the site. The Union Pacific Railroad tracks are located easterly of the site, and a mix of small industrial operations and single-family detached residences are located southerly and westerly of the project site.

ANALYSIS

The primary issues associated with this project are: (1) consistency with the City Council adopted “Framework, as a Guideline, for Evaluating Proposed Conversions of Employment Lands to Other Uses,” (2) the *San Jose 2020 General Plan* Goals and Policies, and (3) neighborhood compatibility.

Evaluation of Industrial Land Conversions

In December 2003, the San Jose City Council adopted an *Economic Development Strategy* prepared by the City’s Office of Economic Development. This strategy identifies strategic initiatives for the City to implement in order to strengthen its economic future. The *Strategy* acknowledges the importance of land use policies and decisions as they relate to the economy. The Strategy identified three primary classifications of employment in San Jose: Driving Industries, Business-Support and People-Serving.

In April 2004, the City Council reviewed a fiscal study report entitled “Towards the Future: Jobs, Land Use, and Fiscal Issues in San Jose’s Key Employment Areas, 2000-2020,” as well as the “Economic Development Strategy,” and used the findings of these reports to establish the “Framework, as Guideline, to Evaluate Proposed Conversions of Employment Lands to Other Uses” (Framework). The Framework divides the City’s inventory of industrial areas into three categories: 1) those to promote or facilitate conversion; 2) those to consider for conversion under certain circumstances; and 3) those to preserve for Driving and Business Support industries. The site is located within the Portion of Central San Jose 1 Subarea (west of the railroad tracks and north of I-880) that the Framework states can be considered for conversion to housing consistent with the existing neighborhood, the BART Station Node, and the City of Santa Clara’s conversion to housing according to a set of criteria. These criteria and Planning staff’s evaluation of them are as follows:

A. *Economic contribution of the subarea:* *What is the economic contribution of the subarea to the San Jose and Silicon Valley economy and job base? How would this economic contribution be enhanced or reduced by the proposed conversion?*

The area in which the site is situated is typified by a variety of heavy and light industrial uses, some of which are related to the City of San Jose Norman Y. Mineta International Airport’s operations and the Union Pacific Railroad operations. The proposed General Plan amendment could potentially eliminate approximately 180 jobs. Consequently, the economic contribution of this area could be reduced by the proposed conversion.

B. *Consistency with City Policies and Strategies:* *How does the proposed conversion and specific proposed use(s) and intensities advance the City’s policies and strategies as contained in the General Plan, Specific Plans, and other strategic documents?*

The proposed conversion is consistent with the General Plan’s Housing Major Strategy, Balanced Community Policy #2, Residential Land Use Policy #3, and Residential Land Use Policy #24. This consistency is discussed in greater detail in a further section of this staff report. The proposed

designation of High Density Residential (25-50 DU/AC) is appropriate for this location in that this density is planned primarily for sites near the Downtown Core Area, near commercial centers with ready access to freeways and/or expressways and in the vicinity of rail stations.

- C. *Proximity to existing neighborhoods and areas in transition:*** *How would the new residential/mixed use knit with adjacent existing or planned residential and/or retail uses, and/or fill-in gaps in areas already partially converted or transitioning to residential use? Does the proposed conversion eliminate small islands or peninsulas of industrially designated/zoned land that would be suitable for conversion to residential to make them consistent with surrounding uses?*

The amendment site is located adjacent to industrial uses to the north, and a mix of industrial and well-established residential uses to the west and to the south. Therefore, the proposed project could create uniformity with the existing surrounding neighborhood by buffering the existing single family neighborhood to the west from the remaining industrial uses to the north and the railroad tracks to the east with the development of a high density residential project.

- D. *Proximity to incompatible employment uses (e.g., manufacturing, recycling, etc.):*** *Where are the nearest incompatible industrial areas which might generate impacts due to hours of operation, deliveries, noise, odors, hazardous materials, etc.? How might the new residential use put pressure on the existing industrial uses to modify their operations?*

The operations of the Union Pacific Railroad, which is located adjacent to the site, generate noise, vibration, odors, and other environmental impacts that are incompatible with residential uses. Industrial uses northerly and westerly of the site also create these impacts. As discussed in the Initial Study and Mitigated Negative Declaration prepared for this project, measures incorporated into the development would be required to mitigate these impacts to a less than significant level as specified by the California Environmental Quality Act (CEQA). Nevertheless, residents could still regard these industrial operations as a nuisance, and file complaints with the City's Code Enforcement division. Based on the City's experience with new residential uses in traditionally industrial areas, residents may also protest new proposed industrial expansions for sites that are located within approximately a one-half mile radius of the subject site. Therefore, it is reasonable to expect a great deal of pressure by the residents on the existing industrial uses to modify their operations. Planning staff is working closely with the applicant to ensure that future development of the site is compatible between the proposed and existing uses, and that it will be designed to integrate with future conversions and residential redevelopment of the remaining industrial properties in the immediate area.

- E. *Potential inducement of additional conversions to residential use?*** *How might the proposed residential use induce or pressure adjacent or nearby properties to convert to residential use?*

As mentioned above, it is reasonable to expect a great deal of pressure on the existing industrial uses to modify their operations, thereby inducing additional industrial conversions. This issue is discussed in greater detail further on in this staff report in the section called "Land Use Compatibility."

- F. *Proximity to transit service:*** *Is the proposed housing site within 3000 feet of a planned BART Station or 2000 feet of an existing, funded or planned Light Rail Station?*

Measuring via public right-of-way, the site is approximately 4,200 feet from the future BART station and approximately 3,300 feet from the existing CalTrain station.

G. Proximity to compatible employment uses (e.g., office/R&D): *Where are the nearest existing or planned employment areas with compatible land use characteristics, thereby creating potential alternate commute (walk/bike to work) opportunities?*

Existing employment areas are adjacent and across the street from the subject site, creating many opportunities to walk to work.

H. Availability of neighborhood services, and residential and commercial mixed use drivers: *Where are the nearest existing and/or planned neighborhood serving retail, parks, libraries, schools, open space/trails, etc.? How would the proposed conversion potentially enhance city services (e.g., by creating or improving neighborhood parks)? How would the proposed residential conversion potentially strengthen neighborhood and general commercial uses in the area by adding resident population? Does the proposed conversion involve a mixed residential and commercial development on the site?*

The project site is in the Santa Clara Unified School District (K-12). Students from the project are expected to attend: Westwood Elementary, 435 Saratoga Ave., Santa Clara, located 2.1 miles from the site; Buchser Middle, 1111 Bellomy St., Santa Clara 1 mile from the site; and Santa Clara High 3000 Benton St., Santa Clara 3 miles from the site. Buchser Middle School is getting close to capacity; the other schools are below capacity. The nearest public library is Joyce Ellington at 491 East Empire Street. The closest City Neighborhood is Columbus Park at Spring Street and Taylor Street. There is some neighborhood serving retail along The Alameda, which is approximately ¼ of a mile away. The proposed conversion could potentially create a neighborhood park adjacent to the subject site. The High Density Residential (25-50 DU/AC) designation does allow commercial uses in a vertical mixed-use development within a Planned Development zoning district.

I. Public Benefit: *Does the proposed conversion offer or facilitate a unique and significant public benefit (e.g., the delivery of or significant contribution toward public facilities, public improvements, infrastructure, or affordable housing beyond what would be required to serve the proposed development associated with the conversion)? Would the conversion result in improvements to a blighted area or contribute to the variety of housing types, including rental or ownership, in areas that have predominantly one or the other? Are there any other means to obtain this extraordinary public benefit without the conversion?*

The project would locate new high density residential development in close proximity to an existing employment area and existing and future public transportation systems (i.e., CalTrain and BART). The associated Planned Development zoning on file is proposing to incorporate a 1.5-acre public park as part of the future development of the site.

J. Adequacy of Fire/Police service levels: *What are the anticipated service levels or other public safety performance measures to serve the proposed housing area?*

The nearest fire station is 1.1 mile away at 800 Emory Street. The project site is within Beat No. F2 of the San Jose Police Department's service area.

- K. *Utilization of bicycle and pedestrian facilities, and promote pedestrian access: Where are the nearest existing and planned bicycle and pedestrian facilities? How does the proposed residential/mixed use development support nearby jobs and commercial lands by promoting pedestrian access and minimizing vehicle trips?***

Pedestrian facilities in the study area consist of sidewalks, pedestrian paths, and crosswalks with pedestrian signals along all of the local roadways. Crosswalks are located at signalized intersections in the vicinity of the site. Currently, few bicycle facilities exist in the vicinity of the project site. However, additional bike facilities are planned along Hedding and Monroe Streets.

- L. *Potential environmental impacts and mitigation measures, including adequacy of other public infrastructure: What are the potential environmental impacts and are mitigation measures included in the proposal? What public improvements are necessary to serve the new housing area?***

The site is located in area with operations that have used, or are currently using, hazardous materials. The noise level in the area surrounding the site exceeds noise policies for residential environments. A net addition of housing units would negatively impact regional air quality. The area is currently underserved by parks. However, the proposed General Plan amendment would have less than significant environmental impacts with the incorporation of General Plan policies, and specific mitigation measures included in the pending Planned Development zoning standards to address land use, transportation, air quality, noise, hazardous materials, hydrology, biotics, cultural resources, geology and soils, public services and facilities. An approximately 1.51-acre park dedication would be required at the time a development proposal is approved.

- M. *Potential fiscal impact: What is the potential fiscal impact on City revenue and service costs?***
As mentioned previously, the proposed conversion could result in a loss of 10.2 acres of Light Industrial land and potentially approximately 180 jobs. Moreover, pressure for remaining industrial land to convert to other uses could create a much greater additional loss of industrial acreage. Consequently, the economic contribution of this area could be substantially reduced by the proposed conversion. The site is an infill site within proximity to numerous transit options, and, as noted above, many City services and facilities are already in place to accommodate new residents. In addition, the proposed designation could include a commercial component, thereby providing sales tax revenue. However, overall there will be a fiscal cost to the City as compared to no change to the General Plan with the assumption that Light Industrial operations would continue on the site.

Consistency with the Housing Major Strategy

The City's General Plan seeks to create a well-balanced community. Although the need for economic development is as important as providing housing for the City's residents, San Jose recognizes the continuing strong demand for housing here and throughout the region. The General Plan's Housing Major Strategy encourages facilitating housing opportunities of all types and price ranges for its residents. This Major Strategy calls for planning for residential land uses at appropriate locations and densities. As described elsewhere in this report, the amendment site is considered an appropriate location for residential development in that the site is in a transitional area within the vicinity of the existing Caltrain station and future BART station.

Consistency with Goals and Policies

The proposed General Plan Amendment is consistent with the following City of San Jose 2020 General Plan Goals and Policies:

1. *Balanced Community Policy #2.* The proposed project is consistent with this policy in that the future development under the proposed land use designation would provide and increase the amount of residential densities and housing types in this subarea and facilitate the development of higher density residential projects within the vicinity of passenger rail lines and other major transportation facilities (i.e., CalTrain and BART).
2. *Residential Land Use Policy #3.* Higher residential densities should be distributed throughout the community. Locations near commercial and financial centers, employment centers, rail transit stations and along bus transit routes are preferable for higher density housing. As stated previously the project site is located within the vicinity of the existing CalTrain station and the future location of a BART station.
3. *Residential Land Use Policy #24.* This policy states that new residential developments should create a pedestrian-friendly environment by connecting features of the development with safe, convenient, accessible, and pleasant pedestrian facilities. These connections should be made between the new development and the adjoining neighborhood, transit and nearby commercial areas. The proposed General Plan Amendment will facilitate a residential development and a future public park, connecting the proposed development with the already established single family neighborhoods to the west and south of the site. Additionally, the site is within the vicinity of an existing passenger rail station and a future BART station.

The proposed designation of High Density Residential (25-50 DU/AC) is appropriate for this location in that this density is planned primarily for sites near the Downtown Core Area, near commercial centers with ready access to freeways and/or expressways and in the vicinity of rail stations.

Land Use Compatibility

The amendment site is located within an industrial area located westerly of the Union Pacific Railroad and northeasterly of an established single-family residential neighborhood. The remaining adjacent industrial properties along Campbell Avenue could potentially convert to residential uses in the future due to the proximity to Santa Clara University, the existing CalTrain station and the future BART station. The concurrent and pending General Plan amendment and Planned Development rezoning for a site within 150 feet of the project site is reflective of this change to the immediate area. This change would provide a clear and identifiable boundary line between the railroad tracks and associated industrial uses to the east and residential to the west and south, creating a more efficient land use pattern for the area. The subject site has an adjacent residential interface on two sides, creating challenges for new or ongoing industrial activities.

The properties directly westerly and northerly of the amendment site are currently designated Light Industrial. In order to reduce potential future incompatibility issues between residential and industrial uses, staff will further analyze the adjacent property west of the amendment site for the appropriateness of

a General Plan land use change from Light Industrial to a residential land use designation. This change could create a more efficient land use pattern and help to support the nearby existing and future public transit.

The proposed density range of 25 to 50 dwelling units per acre is compatible with nearby residential developments. Although this density is higher than the single-family residential neighborhoods in the immediate area, appropriate design features can be incorporated into the specific project at the zoning and permit stage. The High Density Residential (25-50 DU/AC) designation makes most efficient use of the subject site.

ENVIRONMENTAL REVIEW

A Mitigated Negative Declaration was prepared for the proposed project and provides both a program level and project level environmental review appropriate to address and evaluate the environmental impacts of the proposed General Plan amendment and the pending rezoning application (PDC04-069). The Mitigated Negative Declaration was circulated from November 10, 2004 for public review and comment on the adequacy of the environmental review during this time period.

PUBLIC OUTREACH

On September 28, 2004, the applicant for the proposed General Plan amendment and pending Planned Development rezoning held a community meeting to discuss the proposed land use change and proposed 220-unit residential development. Approximately 40-50 community members expressed their general support for the proposed housing; however, there was concern that the City may entertain the re-opening of Campbell Avenue and Newhall Street intersection, thus allowing traffic from new residential projects into the existing neighborhood.

The owners and tenants, within 1,000 feet of the project site received a notice regarding the public hearings to be held on the Mitigated Negative Declaration and subject amendment before the Planning Commission on November 29, 2004 and City Council on December 14, 2004. In addition, the community can be kept informed about the status of amendments on the Department's web site, which contains information on the Environmental Review and General Plan processes and each proposed amendment.

CONCLUSION

The proposed General Plan amendment is consistent with long standing General Plan policies regarding the location of residential land uses and the "Framework" criteria to determine appropriateness for the conversion of industrial properties to non industrial uses.

Attachments:

1. Location Map
2. City Department and Public Agency Comments
3. Mitigated Negative Declaration, circulated on November 10, 2004

GP04-03-03

